



FOR IMMEDIATE RELEASE
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State Awards Managed Care Contracts Georgia Healthy Families Program Begins January 1

Atlanta – The Georgia Department of Community Health (DCH) announced today the award of contracts for Georgia Healthy Families (GHF), the managed care delivery system that will provide health care services for over one million Medicaid and PeachCare for Kids members. The Department has contracted with [WellCare](#) of Georgia, Peach State Health Plan ([Centene](#)) and AMGP Georgia Managed Care ([Amerigroup](#)) for a one-year term with the option for six renewal periods.

Implementation will begin January 1, 2006 in the Atlanta and Central regions, followed by the North and East regions in July 2006 and the Southwest and Southeast regions in December 2006. Annual value of the contracts totals \$3 billion.

Total projected savings for this initiative based on the now contracted rates are \$60 million for the fiscal year ending June 30, 2006 (FY06) and \$200 million for the year ending June 30, 2007 (FY07).

The awards culminate a year-long planning effort by the Department to address unsustainable growth trends in the Medicaid and PeachCare for Kids programs. In FY2005, Medicaid accounted for 43% of all new state revenue. Left unchecked, Medicaid will consume 60% of all new state revenue by FY2011.

“We are extremely pleased to reach this milestone today and look forward to working with these organizations to improve the health status of our members by providing a quality medical home and coordinated delivery system,” said Tim Burgess, commissioner of the Department of Community Health.

The Department issued a Request for Proposal (RFP) in January 2005 and received proposals from ten vendors in April 2005. The state is divided into six regions based on population and patterns of care.

GHF contractors will be responsible for all necessary health care needs for members including key services such as child immunizations, prenatal care, and management of chronic illnesses such as diabetes, hypertension and asthma.

Each member will have the opportunity to select a primary care physician (PCP), who will provide the necessary preventive and acute care. Members will benefit from greater physician access and a multitude of outreach efforts including educational materials, health fairs and wellness clinics. All benefits currently offered to Medicaid members are included in the Georgia Healthy Families program.

The Department also hopes to bring contractual accountability, budget predictability and effective utilization management to the Medicaid and PeachCare for Kids programs. Contractors will assume full responsibility for providing for the health care needs of the members in exchange for a per member per month premium (PMPM) paid by the Department. The Department will continue to receive \$1.53 federal match for every \$1 of state funds spent on benefits.

Amerigroup, Peach State Health Plan and WellCare are licensed by the Insurance Commissioner's Office and bring many years of knowledge and experience in managed care to the Medicaid and PeachCare for Kids programs. "The quality of the proposals submitted by these three health plans was outstanding," said Kathy Driggers, Director of Managed Care for DCH. "We believe their extensive Medicaid experience and innovative programs will improve the health outcomes for our members as well as slow the growth of expenditures." Driggers will oversee the initiative that includes enrollment of members, quality improvement, performance measures and mandatory reporting requirements.

Members who will transition to Georgia Healthy Families include low income families, pregnant women and children, PeachCare for Kids and women eligible for Medicaid due to breast and cervical cancer. The Aged, Blind and Disabled (ABD) population is not included in the GHF model and will remain in the current fee-for-service environment. However, the Department is nearing completion of a procurement to allow two disease management companies to assist in managing the utilization of Medicaid by 100,000 current ABD members statewide.

"Georgia Healthy Families brings a coordinated system of care and best practices to our programs," adds Burgess. "We are committed to providing quality health care to our members and look forward to partnering with our GHF contractors to achieve these goals."

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Region	Counties	Contractors
Atlanta	Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Henry, Jasper, Newton, Paulding, Pickens, Rockdale, Spalding, Walton	Amerigroup Peach State Health Plan WellCare
Central	Baldwin, Bibb, Bleckley, Chattahoochee, Crawford, Crisp, Dodge, Dooly, Harris, Heard, Houston, Johnson, Jones, Lamar, Laurens, Macon, Marion, Meriwether, Monroe, Muscogee, Peach, Pike, Pulaski, Talbot, Taylor, Telfair, Treutlen, Troup, Twiggs, Upson, Wheeler, Wilcox, Wilkinson	Peach State Health Plan WellCare
East	Burke, Columbia, Emanuel, Glascock, Greene, Hancock, Jefferson, Jenkins, Lincoln, McDuffie, Putnam, Richmond, Taliaferro, Warren, Washington, Wilkes	Amerigroup WellCare
North	Banks, Catoosa, Chattooga, Clarke, Dade, Dawson, Elbert, Fannin, Floyd, Franklin, Gilmer, Gordon, Habersham, Hall, Hart, Jackson, Lumpkin, Madison, Morgan, Murray, Oconee, Oglethorpe, Polk, Rabun, Stephens, Towns, Union, Walker, White, Whitfield	Amerigroup WellCare
Southeast	Appling, Bacon, Brantley, Bryan, Bulloch, Camden, Candler, Charlton, Chatham, Effingham, Evans, Glynn, Jeff Davis, Liberty, Long, McIntosh, Montgomery, Pierce, Screven, Tattnall, Toombs, Ware, Wayne	Amerigroup WellCare
Southwest	Atkinson, Baker, Ben Hill, Berrien, Brooks, Calhoun, Clay, Clinch, Coffee, Colquitt, Cook, Decatur, Dougherty, Early, Echols, Grady, Irwin, Lanier, Lee, Lowndes, Miller, Mitchell, Quitman, Randolph, Schley, Seminole, Stewart, Sumter, Terrell, Thomas, Tift, Turner, Webster, Worth	Peach State Health Plan WellCare